VZCZCXRO9060 OO RUEHFK RUEHKSO RUEHNH DE RUEHKO #2559/01 1582258 ZNY CCCCC ZZH O 072258Z JUN 07 FM AMEMBASSY TOKYO TO RUEHC/SECSTATE WASHDC IMMEDIATE 4302 INFO RUEHBJ/AMEMBASSY BEIJING IMMEDIATE 7342 RUEHBY/AMEMBASSY CANBERRA IMMEDIATE 2184 RUEHUL/AMEMBASSY SEOUL IMMEDIATE 3402 RUEHFK/AMCONSUL FUKUOKA IMMEDIATE 1452 RUEHNH/AMCONSUL NAHA IMMEDIATE 3880 RUEHOK/AMCONSUL OSAKA KOBE IMMEDIATE 5015 RUEHKSO/AMCONSUL SAPPORO IMMEDIATE 2312 RUEAIIA/CIA WASHDC IMMEDIATE RUALSFJ/COMUSJAPAN YOKOTA AB JA IMMEDIATE RHMFISS/DISA WASHINGTON DC IMMEDIATE RHHMUNA/HQ USPACOM HONOLULU HI IMMEDIATE RHEHAAA/NSC WASHDC IMMEDIATE RUEKJCS/SECDEF WASHDC IMMEDIATE RUEATRS/TREASURY DEPT WASHDC IMMEDIATE

C O N F I D E N T I A L SECTION 01 OF 02 TOKYO 002559

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TAGS: PGOV PREL JA

SUBJECT: KOIZUMI AIDE PESSIMISTIC ON ELECTIONS, SLAMS ABE LEADERSHIP, HINTS AT KOIZUMI RETURN

Classified By: Ambassador J. Thomas Schieffer, Reasons 1.4 b/d.

(C) Summary. Ex-Prime Minister Koizumi's senior aide, Isao lijima, shared his analysis of the LDP's and Komeito's chances in the upcoming election with Embassy Tokyo on June 16. Iijima, who said he had spent the morning meeting senior LDP Diet members, predicts a stunning loss for the ruling coalition, which he predicts will win only 48 seats. If this pessimistic prediction proves accurate the LDP-Komeito coalition will have only 106 seats in the Upper House post-election, 16 seats less than a majority and 28 fewer than at present. Iijima blames Abe and his aides for policy missteps and neglecting consensus building within the LDP and ruling coalition. He hinted that if Abe falls, Koizumi could come back. He also criticized Abe for "messing up" foreign policy by focusing too heavily on abductions. Iijima passed on news that the Japanese Communist Party would reveal later on June 6 that it had discovered the Self Defense Forces had been collecting intelligence domestically, specifically on individuals and groups opposed to Japan's troop deployment to Iraq. End Summary

Iijima Says Coalition to lose 28 seats and Majority in Upper House

¶2. (C) Ex-Prime Minister Koizumi's senior aide, Isao Iijima, shared his analysis of the LDP's and Komeito's chances in the upcoming election with Embassy Tokyo on June 6. Iijima said he had shared his view on the election with LDP senior members in a meeting earlier in the day. Iijima predicted Abe's popularity will drop 10 percent more as a result of the pension issue, and the election outcome will be:

LDP Will Win

Single seat districts - 10 seats Multiple districts - 15 seats Proportional - 12 seats

TOTAL - 37 seats

Komeito Will Win

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Electoral districts - 5 seats Proportional - 6 seats

TOTAL - 11 seats

Coalition Total - 48 seats

Total elected in 2004 and not up for election - 58 seats

GRAND TOTAL - 106 seats (16 seats less than a majority)

- 13. (C) As a damage control strategy, Iijima said he had advised the LDP senior members to start spreading the word that the coalition would not be able to win a majority in the Upper House. At best, Iijima said the coalition will win only 116 seats, five less seats than a majority. If this prediction is accurate, Iijima said he believed Abe would certainly be forced to resign and that "Koizumi would have to come back to power." Iijima added that he was not speaking for Koizumi in this regard, but believed personally that this would have to happen.
- 14. (C) Iijima said that he had been "helping" with the election up until now. For example, he had worked to make Banri Kaieda, a popular opposition Democratic Party of Japan (DPJ) member in Tokyo and Kiyoshi Nishikawa, a strong DPJ member in Osaka, defect to the LDP. Now, he said, he had given up completely and told the LDP leadership "good luck."
- 15. (C) The LDP leadership is not functioning well in the runup to the elections, Iijima complained. Secretary General

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Hidenao Nakagawa is not receiving appropriate assistance or support and Acting Secretary General Nobuteru Ishihara is too reliant on votes from the Soka Gakkai religious group -- the primary support group for Komeito -- in his home district to do anything that might ruffle Komeito's feathers. Iijima also remarked that the LDP's decision to adopt Special Advisor to the Prime Minister for Abductions Kyoko Nakayama as a proportional list candidate will not help the LDP get an additional seat.

Japan Self-Defense Force Scandal Another Blow to Abe

16. (C) Iijima reported that the Japan Communist Party (JCP) would hold a press conference on the afternoon of June 6 to unveil a 156-page report detailing "activities investigations" conducted by the Japan Self-Defense Forces (JSDF) on domestic groups opposed to JSDF deployment to Iraq. Waving a copy of the document that he had received from a JCP contact, he predicted the report and accusations of domestic spying by the JSDF would quickly make headlines, push Abe's participation at the G8 Summit in Germany off the front pages, and deal another sharp blow to Abe. Iijima was certain, however, that the report would not affect passage of the Iraq Special Measures Law the following week. Subsequent to our meeting, the information was revealed with the predicted result. Minister of Defense Kyuma confirmed that JSDF personnel were involved in collecting intelligence against the Japanese dissidents.

More Damaging Scandals May Emerge

17. (C) Iijima blamed many of Abe's problems on his lack of a single coordinator in the Office of the Prime Minister (the "Kantei"). For example, no one had worked with the LDP Diet members and the ministry bureaucrats to lay the groundwork behind the scenes for handling the pension and civil service reform bills, he posited. One reason that the data on the missing 51 million pension records emerged is that bureaucrats in the Social Insurance Agency were worried that

they would lose their jobs if Abe's original SIA reform bill had passed, and so they leaked the information to try to stop deliberations. Iijima noted that Japan's bureaucrats have information on many more such scandals, which they can leak at anytime. In another example of the need for a central point person at the Kantei, Iijima noted that no one had advised Abe that his promised deadline for resolving the record-keeping problems at the SIA falls just before the Lower House election.

18. (C) All ruling coalition Diet members, as well as all bureaucrats outside of the Kantei, are against the proposed civil service reform bill, Iijima said. He speculated that the information on the JSDF secret survey may have been leaked by bureaucrats who oppose the Kantei's strong push to pass the bill, even if it means extending the session.

Abe's Diplomacy - "Mucha Kucha" (messed up)

¶9. (C) Abe has not only dropped the ball domestically, but has also "messed up Japan's foreign policy," Iijima commented. He was especially critical of Abe's focus on the abduction issue, saying: "Abe should just work with the United States to seriously tackle the denuclearization issue now and leave the abduction issue aside for later." SCHIEFFER